

# Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Decision	1997/0119(COD) Procedure completed
Research RTD, 5th framework-programme EC 1998-2002: research, technological development and demonstration activities	
Subject 3.50.02.01 EC, EU framework programme	

Key players	
European Parliament	
Former committee responsible	
<b>ENER</b> Research, Technological Development and Energy	06/02/1997 PPE <a href="#">QUISTHOUDT-ROWOHL Godelieve</a>
<b>ENER</b> Research, Technological Development and Energy	06/02/1997 PPE <a href="#">QUISTHOUDT-ROWOHL Godelieve</a>
Former committee for opinion	
<b>AGRI</b> Agriculture and Rural Development	08/07/1997 PPE <a href="#">SCHIERHUBER Agnes</a>
<b>BUDG</b> Budgets	01/07/1997 PSE <a href="#">GHILARDOTTI Fiorella</a>
<b>ECON</b> Economic and Monetary Affairs, Industrial Policy	14/07/1997 PSE <a href="#">IMBENI Renzo</a>
<b>REGI</b> Regional Policy	24/06/1997 PPE <a href="#">SCHIEDERMEIER Edgar Josef</a>
<b>TRAN</b> Transport and Tourism	23/09/1997 PPE <a href="#">FERBER Markus</a>
<b>ENVI</b> Environment, Public Health and Consumer Protection	22/07/1997 PSE <a href="#">MARINUCCI Elena</a>
<b>PECH</b> Fisheries	24/06/1997 PSE <a href="#">ADAM Gordon J.</a>
<b>FEMM</b> Women's Rights	20/03/1997 PSE <a href="#">MCNALLY Eryl Margaret</a>

Council of the European Union	Council configuration	Meeting	Date
	Research	<a href="#">2154</a>	22/12/1998
	<a href="#">General Affairs</a>	<a href="#">2113</a>	13/07/1998
	<a href="#">Environment</a>	<a href="#">2076</a>	23/03/1998
	Research	<a href="#">2067</a>	12/02/1998
	Research	<a href="#">2042</a>	10/11/1997
	Research	<a href="#">2005</a>	14/05/1997
	Research	<a href="#">1976</a>	05/12/1996

Key events			
05/12/1996	Debate in Council	<a href="#">1976</a>	
30/04/1997	Legislative proposal published	COM(1997)0142	Summary
14/05/1997	Debate in Council	<a href="#">2005</a>	
14/05/1997	Committee referral announced in Parliament, 1st reading		
11/08/1997	Modified legislative proposal published	COM(1997)0439	Summary
10/11/1997	Debate in Council	<a href="#">2042</a>	
04/12/1997	Vote in committee, 1st reading		Summary
04/12/1997	Committee report tabled for plenary, 1st reading	<a href="#">A4-0396/1997</a>	
16/12/1997	Debate in Parliament		Summary
18/12/1997	Decision by Parliament, 1st reading	T4-0629/1997	Summary
14/01/1998	Modified legislative proposal published	COM(1998)0008	Summary
23/03/1998	Council position published	<a href="#">06108/1/1998</a>	Summary
02/04/1998	Committee referral announced in Parliament, 2nd reading		
03/06/1998	Vote in committee, 2nd reading		Summary
03/06/1998	Committee recommendation tabled for plenary, 2nd reading	<a href="#">A4-0226/1998</a>	
16/06/1998	Debate in Parliament		Summary
17/06/1998	Decision by Parliament, 2nd reading	T4-0357/1998	Summary
13/07/1998	Parliament's amendments rejected by Council		
29/09/1998	Formal meeting of Conciliation Committee		Summary
17/11/1998	Final decision by Conciliation Committee		
25/11/1998	Joint text approved by Conciliation Committee co-chairs	<a href="#">3626/1998</a>	
09/12/1998	Report tabled for plenary, 3rd reading	<a href="#">A4-0493/1998</a>	
14/12/1998	Debate in Parliament		

15/12/1998	Decision by Parliament, 3rd reading	T4-0724/1998	Summary
22/12/1998	Decision by Council, 3rd reading		
22/12/1998	Final act signed		
22/12/1998	End of procedure in Parliament		
01/02/1999	Final act published in Official Journal		

### Technical information

Procedure reference	1997/0119(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Legal basis	EC before Amsterdam E 130I-p2
Stage reached in procedure	Procedure completed
Committee dossier	CODE/4/10335

### Documentation gateway

Legislative proposal	COM(1997)0142	30/04/1997	EC	Summary
Modified legislative proposal	COM(1997)0439	11/08/1997	EC	Summary
Committee of the Regions: opinion	<a href="#">CDR0158/1997</a> <a href="#">OJ C 379 15.12.1997, p. 0026</a>	17/09/1997	CofR	
Economic and Social Committee: opinion, report	<a href="#">CES0987/1997</a> <a href="#">OJ C 355 21.11.1997, p. 0038</a>	01/10/1997	ESC	Summary
Committee report tabled for plenary, 1st reading/single reading	<a href="#">A4-0396/1997</a> <a href="#">OJ C 014 19.01.1998, p. 0005</a>	04/12/1997	EP	
Economic and Social Committee: opinion, report	<a href="#">CES1407/1997</a> <a href="#">OJ C 073 09.03.1998, p. 0133</a>	11/12/1997	ESC	Summary
Text adopted by Parliament, 1st reading/single reading	T4-0629/1997 <a href="#">OJ C 014 19.01.1998, p. 0102-0171</a>	18/12/1997	EP	Summary
Modified legislative proposal	COM(1998)0008	14/01/1998	EC	Summary
Council position	<a href="#">06108/1/1998</a> <a href="#">OJ C 178 10.06.1998, p. 0049</a>	23/03/1998	CSL	Summary
Commission communication on Council's position	SEC(1998)0540	31/03/1998	EC	Summary
Committee recommendation tabled for plenary, 2nd reading	<a href="#">A4-0226/1998</a> <a href="#">OJ C 210 06.07.1998, p. 0009</a>	03/06/1998	EP	
Text adopted by Parliament, 2nd reading	T4-0357/1998 <a href="#">OJ C 210 06.07.1998, p. 0104-0131</a>	17/06/1998	EP	Summary
Commission opinion on Parliament's position at 2nd reading	COM(1998)0422	03/07/1998	EC	Summary
Joint text approved by Conciliation Committee co-chairs	<a href="#">3626/1998</a>	25/11/1998	CSL/EP	

Report tabled for plenary by Parliament delegation to Conciliation Committee, 3rd reading	<a href="#">A4-0493/1998</a> <a href="#">OJ C 098 09.04.1999, p. 0007</a>	09/12/1998	EP	
Text adopted by Parliament, 3rd reading	T4-0724/1998 <a href="#">OJ C 098 09.04.1999, p. 0024-0037</a>	15/12/1998	EP	Summary
Non-legislative basic document	COM(2000)0612	04/10/2000	EC	Summary
Follow-up document	SEC(2000)1780	23/10/2000	EC	Summary
Follow-up document	COM(2000)0842	19/12/2000	EC	Summary
Follow-up document	<a href="#">COM(2003)0124</a>	20/03/2003	EC	Summary
Court of Auditors: opinion, report	RCC0001/2004 <a href="#">OJ C 099 23.04.2004, p. 0001-0043</a>	12/02/2004	CofA	Summary
Follow-up document	<a href="#">COM(2004)0533</a>	02/08/2004	EC	

### Additional information

European Commission

[EUR-Lex](#)

### Final act

[Decision 1999/182](#)  
[OJ L 026 01.02.1999, p. 0001](#) Summary

## Research RTD, 5th framework-programme EC 1998-2002: research, technological development and demonstration activities

**OBJECTIVE:** the proposal for a decision seeks to establish a Fifth Community Framework Programme for research, technological development and demonstration activities (1998-2002). **SUBSTANCE:** in submitting its draft Fifth Framework Programme for research and technological development 1998-2002, the European Commission followed a new approach whose main characteristics are as follows: - focusing of research efforts on a limited number of objectives in order to avoid scattering resources; - greater attention to the dissemination and exploitation of research findings; - flexible implementation and the simplification of administrative procedures; - in the context of the Intergovernmental Conference, less cumbersome decision-making procedures providing for the adoption of the framework programme by a qualified majority. Alongside this, a set of detailed and objective criteria has been drawn up to define the content of the framework programme, grouped together in three families: (a) social objectives, chief among which is the impact on employment; (b) scientific, technological and economic development, the basic objective being to increase the European Union's competitiveness; (c) lastly, 'European added value'. To make it easier to focus efforts on a smaller number of objectives, the Fifth Framework Programme is organized on the basis of six major programmes reflecting the four activities provided for in the Treaty for the implementation of the framework programme: three 'thematic' programmes corresponding to the first activity referred to in the Treaty (research programmes); three 'horizontal' programmes corresponding to activities II (international cooperation), III (dissemination and exploitation of results) and IV training and mobility of researchers). The general topics of these activities are as follows: - Thematic programmes: (a) unlocking the resources of the living world and the ecosystem; (b) creating a user-friendly information society; (c) promoting competitive and sustainable growth; - Horizontal programmes: (a) confirming the international role of European research; (b) innovation and participation of SMEs; (c) improving human potential. Each of the three thematic programmes comprises: - a series of key actions (16 are proposed) linked to the major economic and social objectives as far as the future of the Union is concerned; - activities for research and development of generic technologies; - activities in support of research infrastructures. With a view to achieving maximum efficiency, the thematic and horizontal programmes are both complementary and interrelated, one of the main functions of the horizontal programmes being to contribute to the smooth implementation of the thematic programmes. The Commission is also proposing to introduce a greater degree of coordination both between the various activities under the framework programme and with other Union policies and national research programmes; it also suggests closer links with the European cooperation frameworks COST and EUREKA.. In addition, Articles 130k, l and n of the EC Treaty will be exploited as an adjunct to the other activities under the framework programme, for example through the implementation of measures of particular interest to only a small number of Member States. In order to increase management flexibility and respond to unexpected situations, within each programme a 'free space' will be created, i.e. funds which can be made available quickly in order to finance an urgent measure. Finally, the Commission wishes to improve the methods by which the framework programme is managed: - by relaxing procedures and shortening deadlines in such a way as to facilitate access to the programmes, in particular for SMUs; - by carrying out its implementing role to the full: the bulk of the authority for implementing the specific programmes would be delegated to the Commission alone, with the programme committees taking decisions only on the definition of the programmes and the indicative allocation of the amounts, and no longer on individual measures such as the selection of projects and their funding. As regards the financial and budgetary aspects, at this stage the Commission is not proposing a financial framework; it will do so when it adopts its proposal

future financing framework, immediately after the Intergovernmental Conference in July 1997. However, the Commission takes the view that the average percentage of Union GNP reached by the Fourth Framework Programme between 1995 and 1998 must represent a minimum for the overall funding of the Fifth Framework Programme expressed as a percentage of average forecast GNP between 1999 and 2002. ?

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The modified proposal seeks to complement the proposal for a decision on the Fifth Community Framework Programme for a financial package which marks a substantial increase over the simple maintenance of the average percentage of GNP. The Commission proposes that this increase be set at 3%, that is to say a package of ECU 14.833 billion broken down as follows: - First activity (programmes for research, technological development and demonstration): ECU 11.775 billion; - Second activity (cooperation with third countries and international organisations): ECU 491 million; - Third activity (dissemination and optimisation of results): ECU 350 million; - Fourth activity (measures to encourage the training and mobility of researchers): ECU 1.402 billion; - Direct activities undertaken by the Community Joint Research Centre (JRC): ECU 815 million. ?

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The Committee has adopted the report by Mrs Godelieve QUISTHOUDT-ROWOHL (D, EPP) on the Commission proposal concerning the fifth framework programme of the European Community for research, technological development and demonstration activities (1998 to 2002). From the total budget of ECU 16.7 billion, 15.4 billion will go to research under the framework programme, The fifth framework programme comprises four domains: 1) Life sciences and technologies, information and telecommunication technologies, transport-mobility-production and energy-environment-sustainable development; 2) the international role of Community research; 3) innovation and participation of the small and medium-sized enterprises and 4) improving human potential. The Commission had proposed three themes relating to the first activity, but the Committee adopted a compromise amendment aimed at four themes. These are: - life science and technologies: health, environment and food, fight against transmissible and rare diseases, cell factory, chemical and molecular bases and degenerative diseases with particular regard to age-related illnesses and disability; - information and telecommunication technologies: services for the citizen, new methods of work and electronic trading, multimedia content and essential technologies and infrastructures; - transport-mobility-production: land and marine transport and technologies, aeronautics and astronautics, mobility and intermodality and products, processes and organisation; - energy-environment-sustainable development: advanced energy systems and services in the energy sector including fossil fuels and renewable energies and, under the sub-paragraph environment, cultural heritage and sustainable development: rural and coastal areas and mountains, urban areas, global change and climate and water management and technologies. During the vote (more than 700 amendments had been tabled), the Committee also adopted the rapporteur's compromise proposals on the amounts and breakdown for the four activities over the period 1998-2002: First activity: 12275 million ECU (Commission: Ecu 11.775m); Second activity: 550 million ECU (Commission: 491); Third activity: 410 million ECU (Commission 350); Fourth activity: 1350 million ECU (Commission 1402). The Committee accepted the Commission's proposal to spend ECU 815m for the Community Joint Research Centre, where the rapporteur had proposed 790m. There was a difference of opinion between the rapporteur and Christoff TANNERT (D, PES), as to how money should be allocated within the first domaine (life sciences and technology).?

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The rapporteur stressed the importance of the added value provided by European research programmes. She explained that this went beyond the promotion of improved exchanges between researchers of different nationalities as it responded to the need to give SMEs every opportunity and to encourage the Joint Research Centre to assert itself as an independent body. As regards the funding envisaged, the rapporteur considered that the Commission, with its ECU 16.7 billion, had not shown much vision as this was equivalent to just under 4% of total research expenditure by the EU governments. Commissioner Cresson noted with satisfaction that Parliament had supported and reinforced the innovative aspects of the Commission's proposal. In particular, with regard to the financial aspects, the Commissioner commented that Parliament's draft opinion proposed a fifth framework programme with a budget of ECU 400 million more than proposed by the Commission. She was in this respect convinced that, faced with competitors such as the North Americans and Japanese who were not letting up on their research efforts, the European Union could not allow itself to cut back or allow a levelling off of the resources allocated to research at European level. Furthermore, Mrs Cresson agreed with the spirit of Parliament's amendments which she judged to be very useful in several cases (for example, the amendment which translated into operational terms the interdependency between the decision to adopt the fifth framework programme and its financial allocation and the negotiation on the future financial perspectives of the European Union, or those amendments aiming to ensure a better balance between men and women in the 'Improvement of human potential' programme and the introduction of the question of equality of opportunity as a theme for socioeconomic research). Finally, the Commissioner stated that she intended to increase her cooperation with Parliament during the implementation of the research programme because Parliament was best placed to ensure that European research was used to serve European citizens.

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In adopting the report by Mrs QUISTHOUDT-ROWOHL (EPP, D) Parliament set the overall amount for Community financial participation in the fifth framework programme for R & D at ECU 15.4 billion (the Commission proposed an amount of ECU 14.833 billion). Parliament considered that the research activities supported under the fifth framework programme should have as their aim the improvement of the quality of life of

citizens and the scientific and technological conditions of the Union's international competitiveness, while satisfying the condition of ecological sustainability. It advocated the adoption of measures to encourage the effective participation of SMUs in the programmes. The European Commission had proposed three themes for the first Community activity (research programmes) but Parliament adopted an amendment providing for four themes: a) life sciences and technologies: health, food and environment, fight against transmissible and rare diseases, the cell factory, chemical and molecular biology bases and degenerative diseases, especially diseases and handicaps relating to age; b) information and communication technologies: systems and services for the citizen, new working methods and electronic trading, multimedia, essential technologies and infrastructures; c) transport - mobility - production: land-based and marine transport and technologies, aeronautics and astronautics, mobility and interoperability, products, procedures and organizations; d) energy - environment - sustainable development: advanced energy systems and services in the energy sector, including fossil fuels and renewable energies and, in the environment sector, cultural heritage and sustainable development; rural and mountain areas, coastal areas, urban areas, global climate change, water management and technologies. Parliament also adopted an amendment concerning the amounts and their breakdown for the four activities in the period 1998-2002: - first activity (research programmes): ECU 12.165 billion (Commission ECU 11.775 billion); - second activity (cooperation with third countries and international organizations): ECU 550 million (Commission: ECU 491 million); - third activity (dissemination and optimization of results): ECU 410 million (Commission ECU 350 million); - fourth activity (stimulation of the training and mobility of researchers): ECU 1.460 billion (Commission: ECU 1.402 billion). Parliament called on the Commission to submit a proposal for adaptation of the scientific and technological objectives and measures halfway through the term of the fifth framework programme. It also proposed that Parliament should establish mechanisms enabling its members to scrutinize the implementation of all parts of the framework programme. ?

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The Commission's second amended proposal incorporates the spirit and substance of several of Parliament's amendments, particularly the one proposing a fourth thematic programme. However, some of Parliament's amendments concerning the wording of the themes and the detailed formulation of their scientific and technological content reflect an approach by sectors and by disciplines which departs from that advocated by the Commission. In addition, where the points of view converge as to the substance, the Commission's amended proposals are based on suggestions made by the Council. The major amendments concern: (1) The structure of the first action of the framework programme which now comprises four thematic programmes: (a) improving the quality of life and the management of living resources; (b) creating a user-friendly information society; (c) promoting competitive and sustainable growth; (d) preserving the ecosystem. In this reconfiguration, the Commission is encouraging the integrated, multidisciplinary and multisectoral approach pursued so far. The first programme is refocused around concerns relating to health, the quality of life and the management of living resources, while the new (fourth) programme addresses the safeguarding of the natural resources heritage. The third programme will now focus mainly on a combination of issues relating to production and transport. (2) The key actions: - the two key actions 'health and food' and 'environment and health' of the programme 'Improving the quality of life and the management of living resources' have been merged into one single key action 'health, food and environmental factors'; - the key action 'advanced energy systems and services' is split into two separate key actions 'promoting the sustainable use of energy' and 'developing cleaner, more competitive and diversified energy supply' and transferred to the new programme 'preserving the ecosystem'; - two additional key actions are created: the first on 'the ageing population' within the programme 'improving the quality of life and the management of living resources' and the second 'global environmental change in climate' within the new programme 'preserving the ecosystem'; - the title of the key action 'the city of tomorrow' is amended to include the cultural heritage. (3) As regards the overall allocation and distribution of funds, it is proposed that the figures proposed by the Commission for the overall amount (ECU 14 833 m) and its breakdown over the four activities be confirmed. As regards the breakdown of resources within the first activity, the changes made reflect the revised structure on the basis of four programmes: (a) improving the quality of life and the management of living resources: ECU 2650 millions; (b) creating a user-friendly information society: ECU 3925 millions; (c) promoting competitive and sustainable growth: ECU 3100 millions. (d) preserving the ecosystem: ECU 2100 million. ?

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The common position incorporates a large number of Parliament's amendments, whilst respecting the general approach of the Commission proposal. The Council followed four guiding principles: - the need for a more focused and concentrated Community research effort based on greater efficiency and added value; - the role of the Framework Programme as a instrument for the realization of major Community objectives, in particular, improving the competitiveness of European industry vis-à-vis its international competitors, stimulating growth and employment and improving quality of life; - a realistic approach in setting objectives and defining activities, taking into account that the Union's priorities are evolving in the framework of Agenda 2000 and that a new financial perspective will be negotiated during the lifetime of the Fifth Framework Programme; - the need for simplicity and clarity of the text, thereby avoiding details best suited to the specific programmes. In relation to the main aspects of the Framework Programme, the Council's position is as follows. (1) Structure and content of the programme: The common position follows the Commission's approach, based on concentrating activities around a limited number of programmes. The Council, however, has included a fourth thematic programme devoted to research in the areas of energy and the environment, with a consequential transfer of certain key actions from the thematic programmes 'quality of life' and 'competitive growth' to this new programme. The Council has also: - divided the fourth thematic programme into two subprogrammes on environment and energy respectively, each with a separate budgetary allocation; - split the energy sub-programme into two key actions, giving more emphasis to renewable energy sources; - approved for the most part the key actions proposed by the Commission but made provision for new key actions on the ageing population and global change and a combined key action on land transport and marine technologies; - introduced a new key action on marine sciences in the environment programme. As regards the horizontal activities, the common position introduces some changes to pay greater attention to SMEs and the socio-economic dimension, by introducing a new key action on socio-economic research. With the future enlargement of the Union in mind, particular measures to facilitate participation in the Framework Programme of States in the preaccession phase have also been incorporated. (2) Overall amount: The Council has reached an agreement on an amount of ECU 12 740 million, divided as follows: - first activity (research programmes); ECU 10 039 million - second activity (international cooperation); ECU 458 million - third activity (dissemination and optimization); ECU 350 million - fourth activity (training and mobility of researchers); ECU 1 205 million - direct activities to be carried out by the Joint Research Centre (JRC); ECU 688 million. In view of the fact that the current financial perspective expires at the end of 1999, the

overall amount will be distributed between the first and second periods of the Framework Programme: ECU 3 100 million for the period 1998 to 1999 and ECU 9 640 million for the period 2000 to 2002. The common position provides for a new decision by Parliament and the Council if the overall amount proves not to be compatible with the new financial perspectives for the years 2000-2002, or in the absence of a financial perspective. A joint declaration by the three institutions would ensure compliance with this provision. The overall amount will need to be revised in the event of accession of new Member States during the lifetime of the Fifth Framework Programme. (3) Breakdown of funds: The common position follows the Commission proposal with regard to the breakdown of funds between the four activities of the Framework Programme. It nevertheless gives a higher priority to Activity 2 (international cooperation) and Activity 3 (innovation and SMEs). The common position also reflects the importance attached by the Council to the training and mobility of researchers, in the context of measures to stimulate growth and employment (it maintains the relative share of activity 4 at the level proposed by the Commission, i.e. 10%). The Joint Research Centre will gradually adopt a more competitive approach. (4) Implementation and management: Whilst sharing a number of the concerns expressed by Parliament regarding the need for efficient and transparent implementation and management, the Council considers that this is a question to be dealt with in the specific programme decisions. ?

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The Commission's major concern is the maximum overall amount of the Framework Programme: ECU 12 740 million according to the common position while the Commission proposes ECU 14 833 million. For the first time the overall amount has decreased in real terms in relation to the funding for the previous Framework Programme and casts doubt on whether it is sufficient to cover the scientific and technological content as extended by the Council. The Commission considers that it sends a negative signal to industrial concerns, the scientific community and the users, at a time when the Union's major competitors are recognizing the importance of research for competitiveness and employment and continue to invest more than does the EU. If the final amount falls too far short of ECU 14 833 million, it should not be excluded that one or more activities may be dropped if they cannot be allocated what the Commission considers a minimum critical amount. The Commission is also concerned by the risk of fragmentation of the fourth thematic programme, devoted to the environment and energy (two different committees to be set up). It is also concerned at the cumbersome additional constraints with regard to management. The Commission calls on the Parliament and the Council to support the Community research effort at its proper level and to divide it appropriately. It emphasizes the need to allow work to be completed within time limits which are compatible with the Community's continuing research effort.?

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By adopting Godelieve QUISTHOUDT-ROWOHL's (EPP, D) recommendation for second reading, the Committee will propose that Parliament rejects Council's common position on the EC Fifth Framework Programme for research, technological development and demonstration activities 1998-2002. (Co-decision procedure, second reading). The rapporteur received the full backing of the Committee by demanding an overall budget of ECU 16.300 million (the EURATOM programme included), while Council had proposed only ECU 14.000 million. It was generally felt yesterday that a conciliation procedure later this year would be unavoidable. In order to strengthen Parliament's position, compromises between the various political groups have been negotiated. In its revised proposal of 14 January 1998, the European Commission had also proposed ECU 16.300 million as the overall amount for the EC and the Euratom programmes. The maximum overall amount without Euratom will be ECU 15.400 million. A rejection of the common position would create considerable problems between the Council and the European Parliament in their respective roles as the budget authority of the Union. At present, their different proposals are as follows: Council's common position (\*)..... EP Committee position (\*)

	Indirect actions....	ECU million.....	Indirect actions Ecu million
1st activity.....	10.039	.....	1st activity.....
2nd activity.....	12.000	.....	2nd activity.....
3rd activity.....	458	.....	3rd activity.....
4th activity.....	500	.....	4th activity.....
Direct actions.....	350	.....	Direct actions.....
Maximum overall amount	12.740	.....	Maximum overall amount
.....	15.040	.....	.....

(\*)Euratom not included The Committee also took on board compromise amendments on optimizing the scientific and technological conditions for the international competitiveness of the EU, by using the EU Structural Funds, the European Investment Bank and the European Investment Funds, on the Joint Research Centre and by including coal among the key actions of the first activity. Another amendment suggested the introduction of a European Grand Prix for scientific and technological research.

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Commissioner Cresson thanked Parliament, which had supported the Commission's proposal aimed at providing the framework programme in question with a budget of ECU 16.3 billion, while considering that the chances of achieving a unanimous vote in favour of the amount proposed were small. The Commission had therefore opted to maintain the amended proposal without including any amendments other than those already incorporated as they stood or largely unchanged at the conclusion of first reading. As for the group of amendments on the implementation and management of the framework programme, Mrs Cresson announced that a range of measures moving in the same direction as most of the amendments was being prepared by the Commission.

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In adopting the recommendation for second reading by Mrs Godelieve QUISTHOUDT-ROWOHL (PPE, D) the European Parliament called for a maximum overall amount for Community participation of ECU 15 040 million. The Council proposed 12 740 million and the Commission

proposed 14 833 million. The programme should apply to four areas: - the implementation of research technological development and demonstration programmes (ECU 12 000 million; the Council proposes ECU 10 039 million); - promotion of cooperation with third countries and international organizations regarding Community research to technological development in demonstration activities (ECU 500 million). The Council proposed ECU 458 million); - the dissemination and utilization of results of RTD activities (ECU 420 million; the Council proposes ECU 350 million); - measures to encourage the training and mobility of researchers in the Community (ECU 1320 million; the Council proposes ECU 1205 million). Parliament wishes to specify the objective of research activities within the framework programme: optimizing scientific and technical conditions for the international competitiveness of the EU, improving the quality of life of Community citizens and meeting the criteria of ecological sustainability. Parliament calls for the measures for the adoption of particular measures to encourage the effective participation of SMEs (for example the systematic consultation of SMEs by the Commission simplification of formalities and more transparent procedures). Concerning research activities Parliament calls for: - the introduction of criteria related to social development including measures to foster the participation of women in all fields of research and technological development; - health measures contributing to the fight against diseases relating to the environment and food in view of the immense costs arising therefrom (for example allergies); - consideration of the needs of the elderly and disabled; - the addition of a new key action concerning social changes brought about by the introduction of new information and communications technologies. The European Parliament, in adopting an amendment by the PPE Group by 394 votes to 124 and 13 abstentions, urges that no research activity which results in a modification of the genetic heritage of human beings by manipulation of germ cells or manipulation at another stage in embryonic development, which modification might become part of the genetic heritage will be carried out. It also pledges that no activity in the area of human cloning, that is to say the reproduction of human embryos carrying the same genetic information as another human being whether alive or dead be planned. It also calls for research which results in the destruction of embryos to be banned. Similarly, no European Union research funding should be used for the development or manufacture of weapons.?

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The Commission notes the convergence of views between the three Institutions on the structure and scientific and technical content of the Framework Programme. The broad strategic guidelines set out in the Commission's proposal are confirmed by Parliament's second reading; the need to concentrate efforts is reaffirmed, as are the key actions which are essential components of the thematic programmes. The Commission also points out that Parliament supports its proposal to assign to the Fifth Framework Programme an overall budget of ECU 16.3 billion, whereas the Council's common position gives a figure of ECU 14 billion. In view of this, the Commission has opted to maintain its amended proposal of 14 January 1998 and not to incorporate in it amendments other than the ones it had already taken over following the first reading. The Commission is aware that further efforts to achieve convergence between Parliament and the Council will have to be made on the basis of the amendments arising from Parliament's second reading and it is determined to work towards an overall compromise in the context of the conciliation procedure. ?

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EP/Commission Agreement was reached with the Council about the implementation of the Fifth Framework Research Programme 1998-2002. After long negotiations, the EP and Council delegations finally could accept an overall amount for EC and Euratom research activities of Ecu 14.960 million, of which Ecu 13.700m for the EC programme and Ecu 1.260m for Euratom. Council finally agreed to an additional Ecu 50 million for the EC programme, Ecu 25m going to the Joint Research Centre and Ecu 25m pro rata for other activities. It was also agreed that 10% of the amount available for the first activity of the programme will be spent on SMEs. A solution was found for the so-called guillotine clause. A compromise was arrived at which will safeguard Parliament's position. Taking into account that a new financial perspective will be negotiated during the course of the programme, it was decided that in case of inconsistency of the maximum overall amount with the amount available for research a new decision should be taken on an amount under the condition provided for under the Treaty. Equivalent arrangements should be made for the specific programmes. In the absence of such arrangements the specific programmes could not be implemented. Parliament will be involved through codecision not only in the adaptation of the overall amount and the breakdown between the different activities but also on changes in the content of the framework programme. Originally, the EP Delegation vehemently rejected the guillotine clause as running counter to the Treaty. Now, Parliament's co-decision prerogatives will be ensured. Vice President IMBENI and rapporteur Godelieve QUISTHOUDT-ROWOHL (EPP, D) said this morning that the compromise fell short of what Parliament had initially wanted, a good result had nevertheless been reached. The EP delegation emphasized that negotiating with Council was difficult where the Council has to agree unanimously. The delegation also felt that negotiations will be less complicated in future, when, under the Treaty of Amsterdam, Council will no longer have to decide by unanimity. Rapporteur QUISTHOUDT-ROWOHL pointed out that, in view of the aim in the member states to save money, the overall amount of Ecu 13.700m for research and development was the best that could be obtained. Vice President IMBENI added that the greater part of Parliament's amendments had been adopted and Mrs QUISTHOUDT underlined that Council had taken on board the Parliament's proposals as to the structure of the 5th framework programme. Other amendments accepted during the conciliation procedure concerned the following: it was agreed to introduce a mid-term review; the Commission shall now review progress with the programme and shall submit a proposal to modify the programme as required; the Commission will confirm that it is possible for the EP to request the Joint Research Centre to undertake certain research tasks; the EP shall be entitled to request research to be done by the JRC; there will now be a specific action on research related to the disabled; any activities involving human cloning will be excluded programme; a European Descartes prize will awarded to researchers for outstanding scientific and technological achievements resulting from European collaborative research. ?

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The Parliament's conciliation agreement negotiated with the Council on the Fifth Framework Research Programme (1998-2002) was approved. The Parliament's Rapporteur was Ms. QUISTHOUDT-ROWOHL (D, EPP). The programme's budget, at EUR 14.96 billion,



represents a slight increase in real terms on the Fourth Framework Programme. Furthermore, there are provisions allowing for greater flexibility when allocating resources in the years ahead to take account of scientific and technical needs at the time.?

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**PURPOSE :** agreement on a fifth framework programme for research, technological development and demonstration (1998-2002).

**COMMUNITY MEASURE :** Council and European Parliament Decision 182/1999/EC. **CONTENT :** The Fifth Framework R&D Programme for the 1998-2002 period covers four areas of Community activity: a) First action : implementation of research, technological development and demonstration programmes; b) promotion of co-operation in the field of Community research, technological development and demonstration with third countries and international organisations; c) dissemination and optimisation of the results of activities in Community research, technological development and demonstration; d) stimulation of the training and mobility of researchers in the Community. In order to ensure that efforts are focused on a restricted number of objectives, the 5th Framework Programme is divided into 7 large programmes, 4 'thematic' programmes corresponding to action I (research programmes), and 3 'horizontal' programmes corresponding to actions II (international co-operation), III (dissemination and exploitation of results) and IV (training and mobility of researchers). The main themes of the actions are the following : 1) Thematic programmes: a) quality of life and management of living resources b) user-friendly information society c) competitive and sustainable growth d) energy, environment and sustainable development. 2) Horizontal programmes : a) confirming the international role of Community research b) promotion of innovation and encouragement of participation of SMEs c) improving human research potential and the socio-economic knowledge base. Each of the 3 thematic programmes includes : - a series of 'key actions' linked to the Union's main economic and social objectives for the future; - R&D activities in generic technologies; - support activities for research infrastructures. In parallel, a range of detailed objective criteria has been drawn up to define the content of the framework programme, which fall into three groups : a) social objectives (impact on employment, quality of life, environment); b) scientific, technological and economic development, the underlying objective being the strengthening the Union's competitiveness; and c) European added value. The overall Community allocation to the Fifth Framework Programme is 13 700 million EUROS, divided as follows : - first action (research programmes): 10 843 million EUROS; - second action (international co-operation): 475 million EUROS; - third action (dissemination and exploitation): 363 million EUROS; - fourth action (training and mobility of researchers) 1 280 million EUROS; - direct actions undertaken by the JRC : 739 million EUROS. The allocation between the themes of the first action (10 483 million EUROS) is the following: - quality of life and management of living resources: 2 413 million EUROS; - user-friendly information society: 3 600 million EUROS; - competitive and sustainable growth: 2 705 million EUROS; - energy, environment and sustainable development: 2 705 million EUROS. In view of the expiry of the current financial perspectives at the end of 1999, the overall amount will be allocated over the first and second period of the framework programme: 3 140 million EUROS for the period 1998-99 and 10 560 million EUROS for the period 2000-2002. The text makes provision for a new European Parliament and Council decision to be taken should the overall allocation appear incompatible with the new financial perspectives for the years 2000-2002, or in the absence of financial perspectives.?

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The mid-term review of the Framework Programme provided for in Article 6 of the Decisions adopting the 5th EC and Euratom Framework Programmes was the subject of guidelines proposed by the Commission in its Communication of 4 October 2000 "Making a reality of the European Research Area: Guidelines for future EU research activities (2002-2006)". This Commission staff working paper reviews progress with the 5th Framework Programme in greater detail. For this review the Commission has taken into account the conclusions of the panels which carried out five-year assessments of the Framework Programme and the specific programmes, the external monitoring reports, information collected for the annual report on EU RTD activities and its own analyses and assessments. Although the Framework Programme has reached the halfway stage in terms of the launching of research activities, the latter are still in their early stages in terms of implementation and most of them will continue beyond 2002. Reviewing them at this juncture will therefore clearly not allow a judgment to be made of the Framework Programme's impact in terms of research results and innovation, but it will, nevertheless, make it possible to assess implementation so far, in particular in the light of the Programme's new structure, its objectives and its means of implementation. This paper also assesses the quality of the projects launched so far and how they fit in with the broad lines of the Framework Programme. Lastly, it analyses how the 5th Framework Programme can help to make a reality of the European Research Area.?